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## OMB APPROVAL

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**ANNUAL AUDITED REPORT**  
**FORM X-17A-5**  
**PART III**

## SEC FILE NUMBER

8-50167

## FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the**  
**Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING January 1, 2008 AND ENDING December 31, 2008  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: LEONARD SECURITIES, INC.

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

1900 N.W. EXPRESSWAY SUITE 1450

(No. and Street)

OKLAHOMA CITY

OKLAHOMA

73118

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

ROBERT L. SAVAGE

405-879-0166

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

HENLEY AND JOHNSON, P.L.L.C.

(Name - if individual, state last, first, middle name)

1409 N.W. 150TH STREET

EDMOND

OKLAHOMA

73013

(Address)

(City)

(State)

(Zip Code)

## CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

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FEB 25 2009

Washington, DC  
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of  
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## OATH OR AFFIRMATION

I, ROBERT L. SAVAGE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of LEONARD SECURITIES, INC., as of DECEMBER 31,, 20 08, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Robert L. Savage  
Signature  
President  
Title

[Signature] \*01019776  
Notary Public Expires: 12-19-2009

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☐ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☐ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

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# HENLEY AND JOHNSON, P.L.L.C.

Certified Public Accountants

1409 N. W. 150th

Edmond, Oklahoma 73013

Phone: (405) 348-8348

Fax: (405) 348-8001

Jack S. Henley, CPA  
William J. Johnson, CPA

Member  
Oklahoma Society of  
Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

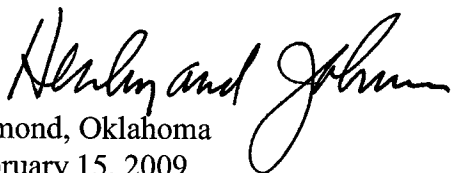
Board of Directors  
Leonard Securities, Inc.

We have audited the accompanying statements of financial condition of Leonard Securities, Inc., as of December 31, 2008 and 2007, and the related statements of income, changes in stockholders' equity, and statement of cash flows for the two years then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of Leonard Securities, Inc., as of December 31, 2008 and 2007, and the results of its operations, and its cash flows for the two years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information contained on page 11 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 of the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
Edmond, Oklahoma  
February 15, 2009

**LEONARD SECURITIES, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2008 AND 2007**

**ASSETS**

	<u>December 31,</u>	
	<u>2008</u>	<u>2007</u>
Cash and cash equivalents	\$ 75,346	\$ 100,059
Restricted cash deposit with clearing organization	60,000	60,000
Other receivables	60,258	62,252
Prepaid expenses	1,271	1,042
Securities owned, not readily marketable	9,884	19,796
Furniture and Equipment, net of accumulated depreciation of \$ 53,003 and \$ 39,392	58,398	68,663
Security deposits	<u>3,383</u>	<u>3,383</u>
	<u>268,540</u>	<u>315,195</u>

**LIABILITIES**

Accounts payable	4,959	30,402
Accrued liabilities	<u>60,642</u>	<u>63,969</u>
	65,601	94,371

**STOCKHOLDERS' EQUITY**

Common stock,\$1.00 par value, authorized 50,000 shares, 1,096 shares issued and outstanding.	1,096	1,096
Additional paid-in capital	206,104	218,104
Retained earnings (deficit)	<u>( 4,261)</u>	<u>1,624</u>
	<u>202,939</u>	<u>220,824</u>
	<u>\$ 268,540</u>	<u>\$ 315,195</u>

See accompanying notes to financial statements

**LEONARD SECURITIES, INC.**

Statement of Financial Condition  
Two Years Ended December 31, 2008 and 2007

(With Independent Auditors' Report)

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**FEB 25 2009**

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